

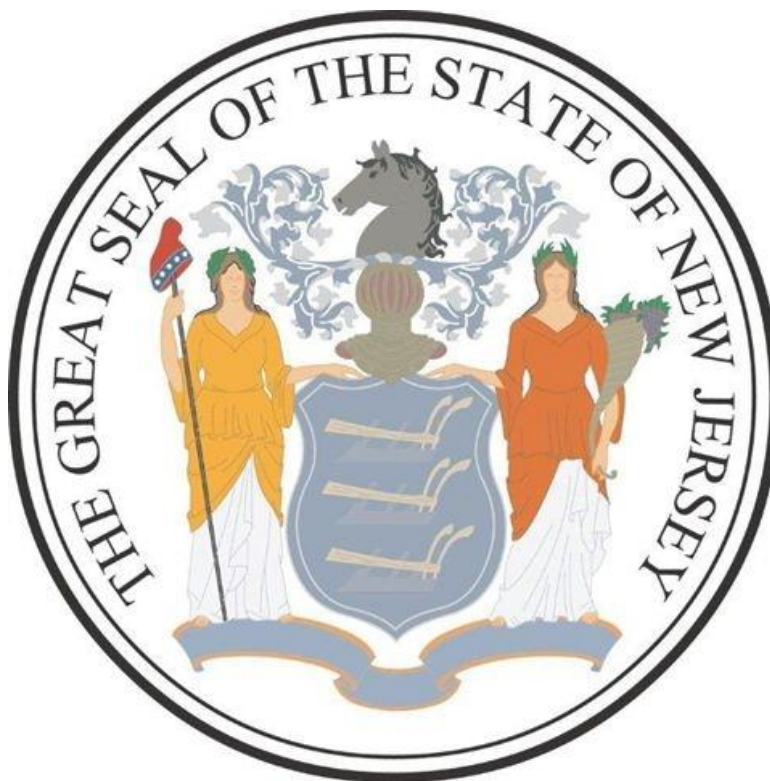
NEW JERSEY

MILITARY INSTALLATION GROWTH AND DEVELOPMENT

TASK FORCE REPORT

FINDINGS AND RECOMMENDATIONS

JUNE 2015



SUBMITTED BY

Honorable Kim Guadagno, Lieutenant Governor, Chair
Brigadier General Michael Cunniff, Adjutant General of New Jersey
Melissa Orsen, CEO of the Economic Development Authority
Michele Brown, President and CEO of Choose New Jersey
The Honorable Jim Saxton, former Congressman
Paul Boudreau, President of the Morris County Chamber of Commerce



STATE OF NEW JERSEY
DEPARTMENT OF STATE
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CHRIS CHRISTIE
Governor

LT. GOVERNOR KIM GUADAGNO
Secretary of State

Dear Governor Christie:

The New Jersey Military Installation Growth and Development Task Force is proud to release this report containing recommendations and strategies to fortify New Jersey's military installations in the face of potential federal budget cuts or a future Base Realignment and Closure (BRAC) process.

Over the last year, the Task Force learned a great deal about New Jersey's military installations, their economic impact on the state, and their impact on their home communities. As we studied our military installations, the public debate about funding national defense and military installations intensified. Be it the impacts of sequestration, the looming possibility of a BRAC, or the possibility of losing missions to other installations, the public debate continues and the urgency increases. Those issues are of paramount importance to our nation and our national defense. Accordingly, the primary decision makers are federal officials and entities. Nevertheless, the state and local communities have a role – albeit a supporting role – in this on-going federal dialogue and in our efforts to protect the military installations that provide so much to our communities. To such ends, this report presents a series of recommendations for the state, local governments, interested stakeholders, and impacted communities to undertake to help not only improve the vitality of our military installations, but also to inform our federal representatives.

During this time of great flux for the United States Military, the public dialogue on the future of our military continues in earnest. The time for action is now. No military installation is off limits. And we must not be caught flat footed. Only by working together – Republicans and Democrats at all levels of government – can we strengthen our military installations, make them less attractive targets for a BRAC or mission loss, and speak with a loud, unified voice in Washington, D.C. The Task Force and I look forward to continuing our efforts to fortify our state's military installations, working with our partners in this effort, and fighting for our state's military installations.

Sincerely,

A handwritten signature in black ink, reading "Kim Guadagno".

Kim Guadagno
Lieutenant Governor

I. Executive Summary

Base Realignment and Closure (BRAC) is the congressionally authorized process periodically employed by the federal government to reorganize the military's physical assets to more efficiently and effectively support and advance the long-term strategic posture of the United States. When Congress created this statutory process for realignment and closure in 1990, it implemented procedures designed to ensure a transparent, objective, and fair process that sought input from the Executive and Legislative branches as well as an independent BRAC Commission (Commission).

But beyond the formal BRAC process, another threat to New Jersey's military installations is mission loss. Indeed, in light of austere federal budgets and in view of on-going deliberation regarding funding for national defense, the specter of mission loss has increased. And when missions are lost, those weakened military installations become more of a target when a BRAC is initiated.

Although this dialogue continues in earnest in Washington, D.C., among federal representatives including, but not limited to, the President of the United States, Congress, the Department of Defense (DOD), and the BRAC Commission, the state and impacted local communities have an important – albeit supporting – role in the debate. In recognition of those challenges, the importance of New Jersey's military installations, and the state's role in this dialogue, Governor Chris Christie created the New Jersey Military Installation Growth and Development Task Force (Task Force) by Executive Order. Lt. Governor Kim Guadagno was named chair.

New Jersey's military installations are of significant strategic and tactical military value. But beyond that value to our collective security, they have a major economic impact – producing 45,631 jobs directly and another 27,603 indirectly while adding \$3.8 billion to the Gross Domestic Product directly and another \$2.7 billion indirectly. Nevertheless, and despite their collective and individual impacts, no installation is safe from mission loss or BRAC.

In supporting New Jersey's congressional delegation's efforts to fight for our state's military installations, the state, local governments, impacted stakeholders, and the community can, among other things:

- Promote and facilitate a coordinated approach to economic development related to our military installations and the industries that support them;
- Align New Jersey's workforce with the military's and defense industry's current and future needs;
- Develop synergistic opportunities for our military installations to work in cooperation with local governments and their communities to reduce their costs, improve efficiencies, and ensure a symbiotic relationship – all making our installations stronger; and
- Aggressively advocate in Washington, D.C., for our military installations by strengthening relationships with our federal partners

The foregoing all drive to one goal: Demonstrate that New Jersey is military friendly. By doing so, we will strengthen our military installations and make them less attractive targets for a BRAC or mission loss.

II. Task Force History

The Task Force arose from the on-going national dialogue regarding BRAC and mission loss and the potential impact on New Jersey. In recognition of the significant impact New Jersey's installations have on the nation's defense, the state's economy, and local communities, the Task Force was created to help fortify our bases and make them less attractive targets for BRAC or mission loss.

A. Base Realignment and Closure -- Background

BRAC is the congressionally authorized process periodically used by the Commission and the DOD to reorganize military installation infrastructure to more efficiently and effectively support military forces, increase operational readiness, and facilitate the redesign of the military's physical plant. When the tumultuous geopolitical realities of the 21st century are combined with the ever-changing technological capabilities of modern national defense, a re-marshalling of resources becomes all the more likely in the near term.

When Congress created a statutory process for realignment and closure in 1990, it implemented procedures designed to ensure a transparent, objective, and fair process. That process, then and now, involves the President of the United States, DOD, Congress, and the Commission. First, the Secretary of Defense drafts a twenty-year strategic plan as well as realignment and closure selection criteria that are sent to the Commission and Congress. Based on the twenty-year strategic plan and using the selection criteria as its guide, DOD recommends installations for closure or realignment. The Commission then edits DOD's recommendations to ensure consistency with the twenty-year strategic plan and selection criteria. Finally, the Commission forwards its recommendations to the President, who may accept or reject it in the entirety. If accepted, the recommendations are sent to Congress for approval or rejection, again, as a whole. If the President rejects the Commission's recommendations, the Commission may edit and resubmit the recommendations or accept the rejection as final.

The most recent iteration of the process, BRAC 2005, marked a dramatic change from previous rounds because the nature of the excess capacity changed. Previously, BRAC dealt with whole installation closures, but in 2005, the fragmented excess capacity existed as underutilized installations or infrastructure within otherwise useful and important installations. Thus, DOD sought to reorganize the branches into joint installations based on their similar needs and functions, where the installations would share infrastructure and work in concert to maximize resources based on compatible uses. In selecting military installations for realignment or closure, DOD focused on the following:

Questions Regarding Military Value (Highest Priority)

- The current and future mission capabilities and the impact on operational readiness of the total force of DOD, including the impact on joint war fighting, training, and readiness;
- The availability and condition of land, facilities, and associated airspace at both existing and potential receiving locations;
- The ability to accommodate contingency, mobilization, surge, and future total force requirements at current and potential locations to support operations and training; and
- Costs of operation and manpower implications.

Other Considerations (Lower Priority)

- The extent and timing of potential costs and savings, including the number of years – beginning with the date of completion of the closure or realignment – for the savings to exceed the costs;
- The economic impact on existing communities near the military installations;
- The ability of the existing infrastructure in current and potential communities to support forces, missions, and personnel; and
- Environmental impact, including costs associated with remediation, waste management, and compliance.

Over two and a half years, DOD drafted its recommendations with instructions from the Secretary of Defense to reconfigure its current infrastructure to maximize both war fighting capacity and efficiency. More specifically, DOD focused on five goals:

- Transforming the current and future force and its support systems to meet new threats;
- Eliminating excess physical capacity;
- Rationalizing the installation infrastructure with the new defense strategy;
- Maximizing both war fighting capacity and efficiency; and
- Examining opportunities for joint activities.

This new emphasis – described as “jointness” and defined as selecting the appropriate organizations from two or more Services to share installations in the right location – has the potential to significantly improve combat effectiveness while reducing costs.

Central to any conversation about BRAC is the current fiscal and political climate in Washington, D.C. For FY 2016, Congress seeks to increase DOD spending, but the Administration believes that increases in domestic spending should match increases in defense spending, so much so that President Obama vowed to veto appropriations bills that do not reflect increased spending. Over the past few years, DOD spending has been erratic. Congress appropriated \$606 billion for defense programs in FY 2014, \$586 billion in FY 2015, and for FY 2016, the President proposed \$612 billion while Congress is still in discussions on DOD appropriations. Given the national security challenges facing the country, Congressional leadership and NJ Congressman Rodney Frelinghuysen, Chair of the House Defense Appropriations Committee, are committed to providing sufficient defense spending. Reacting to Congress' propensity to cut spending, the President used the budget process over the past few years to signal to Congress that in order to save resources in the defense area, Congress should establish a BRAC. However, the Congress has steadfastly opposed a new BRAC round and is not expected to change its mind during the Obama Presidency. Lastly, it should be noted that the 2005 BRAC took much longer to recoup the anticipated savings, since the overall costs exceeded projections.

In comparison, in Fiscal Year 2013, DOD faced an 11 percent reduction (after adjusting for inflation) in its base budget from Fiscal Year 2012. This reduction, however, follows a period of generally increasing real resources for DOD; from Fiscal Year 2001 to 2010, funding for DOD's base budget rose by more than 40 percent, after adjusting for inflation. In real terms, after the reduction in Fiscal Year 2013, DOD's base budget is about what it was in 2007 and is still 7 percent above the average funding since 1980.

Stakeholders must be aware of the possibility of military installations losing missions in the interim between official rounds of BRAC to capitalize on efficiencies and lower costs. This so-called “Stealth BRAC” may prove insidious because, as missions are taken away from an installation, the losing installation’s standing before DOD and the Commission is considerably weakened. When a BRAC is authorized and the DOD looks for weakened installations that may no longer serve multiple branches and functions, naturally those installations bleeding missions will be prime targets.

B. Creation of the Task Force

In recognition of these challenges and the importance of New Jersey’s military installations, Governor Christie, via executive order, created the New Jersey Military Installation Growth and Development Task Force and named Lt. Governor Guadagno as chair. The Task Force members include:

- Lt. Governor Kim Guadagno
- Brig. Gen. Michael Cunniff, *Adjutant General of New Jersey*
- Melissa Orsen, *CEO of the Economic Development Authority*
- Michele Brown, *President and CEO of Choose New Jersey*
- The Honorable Jim Saxton, *former Congressman*
- Paul Boudreau, *President of the Morris County Chamber of Commerce*

To gain a better understanding of New Jersey’s military installations and their impact on the state, the Task Force toured the state’s military installations and was briefed by the installations’ commanding officers. Additionally, the Task Force hosted business roundtable discussions near Picatinny Arsenal (Picatinny) and Joint Base McGuire-Dix-Lakehurst (Joint Base) to open a candid and frank dialogue with business owners. This helped the Task Force learn more about the relationship between business owners and their military neighbors and the potential impact of closures on the surrounding communities. At both roundtables, the primary concern and point of discussion was the negative economic impact an installation closure or any “Stealth BRAC” would have on area businesses and local quality of life.

In addition, in February 2015, Lt. Governor Guadagno joined a contingent of New Jersey’s Congressional delegation for a day-long tour of the state’s military installations. The goal was not only to inform the Congressional delegation of the valuable missions at New Jersey’s installations and their impacts on the state, but also to help unify the Congressional delegation’s message as it began efforts to fend off budget cuts or a new BRAC round.

C. Fiscal Year 2015 and 2016 Appropriations

Following the Task Force’s organization and to complement its on-going efforts, the Christie Administration’s Fiscal Year 2015 and 2016 budgets – approved by the Legislature and signed by Governor Christie – included a \$200,000 appropriation to the New Jersey Department of Military And Veterans Affairs (DMAVA) to secure a contractor to provide research and government affairs assistance in Washington, D.C. The contractor, Cassidy & Associates, Inc., is responsible for gathering and researching all appropriate information related to the viability of each of New Jersey’s military installations and developing recommended courses of action to ensure these installations remain economically viable and their related missions are preserved, enhanced, and strengthened.

III. New Jersey's Military Installations

New Jersey is home to five military installations, all with significant strategic and economic importance to the nation, state, and their local communities. Those impacts are discussed below.

A. Economic Overview – Cumulative

In 2013, the New Jersey Council on Armed Forces and Veterans Affairs commissioned a study by the Rutgers Economic Advisory Service, part of the Edward J. Bloustein School of Planning & Public Policy at Rutgers University, entitled *The Economic Contributions of Military and Coast Guard Installations to the State of New Jersey*, to determine the estimated economic impact of the military presence in New Jersey. The following economic data was drawn from that report.

When viewed in the aggregate, New Jersey's military installations are the state's largest employer. The state's military installations directly produce 45,631 jobs and indirectly produce another 27,603. The state's military installations directly produce \$3.8 billion and indirectly produce another \$2.7 billion toward the Gross Domestic Product (GDP). In total, the installations generate \$9.6 billion annually in business-type revenue, including \$6.5 billion of wealth added to the state GDP. Of the total GDP, more than \$4 billion is in the form of labor income supporting employment for about 73,234 workers. The charts below illustrate the military installations' annual effect on New Jersey's economy.

The economic impact generated by these activities is not limited to installation jobs, but extends to residual effects in surrounding communities that provide services and operate businesses that support installation activities and associated personnel. The installations complement key industries in New Jersey, including information technology, communications, engineering, logistics, and construction.

Direct Effects of New Jersey's Military Installations, 2012				
Installation	Output (\$1,000)	Employment	Earnings (\$1,000)	GDP (\$1,000)
Joint Base	2,938,939.0	35,395	1,757,075.0	2,533,137.0
Picatinny	1,455,612.3	5,196	527,270.2	913,627.2
NWS Earle	32,532.2	295	17,628.7	25,092.7
Air Guard	109,555.7	2,376	71,828.0	102,377.9
Army Guard	232,829.3	1,641	148,932.9	176,795.3
Coast Guard	65,058.6	728	51,480.1	54,696.2
Total	4,834,527.1	45,631	2,574,214.9	3,805,726.3

Total Effects of New Jersey's Military Installations, 2012				
Installation	Output (\$1,000)	Employment	Earnings (\$1,000)	GDP (\$1,000)
Joint Base	5,935,300.0	51,989	2,715,516.0	4,220,370.0
Picatinny	2,789,759.7	13,834	921,348.6	1,708,408.1
NWS Earle	68,287.1	481	28,756.2	44,717.2
Air Guard	220,963.6	2,982	107,415.5	165,317.6
Army Guard	487,212.2	2,890	228,591.3	319,423.9
Coast Guard	127,480.0	1,058	71,497.1	90,916.4
Total	9,629,002.6	73,234	4,073,124.7	6,549,153.2

B. Overview of Military Installations

Despite that significant cumulative impact, it is important to understand the uniqueness of each military installation in New Jersey and their individual impact on the state's economy and surrounding communities.

1. Joint Base McGuire-Dix-Lakehurst

The Task Force toured the Joint Base on May 30, 2014. The Joint Base is in Burlington and Ocean counties on 42,000 acres and is home to more than eighty mission partners and forty mission commanders providing a wide range of combat capability. The installation spans more than 20 miles east to west and is bordered by 10 municipalities. The 87th Air Base Wing – a Joint Base tenant – is responsible for providing community services and installation management support for the 3,933 facilities, with an approximate value of \$9 billion in physical infrastructure.

The Joint Base has a high military value as the only installation in the United States Military that hosts units from all four military branches, as well as the Coast Guard and other federal and state government agencies. The Joint Base is the state's second largest employer, supporting more than 40,000 military and civilian employees – including over 7,800 part-time Reservists – and contributing more than \$7 billion annually to New Jersey's economy alone. It is estimated that the Joint Base supports more than 65,000 off-installation jobs.

In addition to a full briefing on the Joint Base's missions, the Task Force was briefed on the Joint Base's important Enhanced Use Lease Project. This project will make the Joint Base the first energy independent military installation in the nation. The surrounding community will also benefit through upgraded energy infrastructure and a hardened disaster response headquarters, as proven necessary by Superstorm Sandy. The briefing also discussed the Joint Base's successful leveraging of community support to institute a system of school choice for children residing at either McGuire or Ft. Dix and established concurrent jurisdiction between the 87th Security Forces Squadron and county police for Falcon Courts North housing area.

Total Annual Economic Impacts on NJ's Economy Joint Base, All Activity, 2012			
	Indirect/Direct Effects	Induced Effects	Total
Output (\$1,000)	2,938,939	2,996,361	5,935,300
Jobs	35,395	16,593	51,989
Earnings (\$1,000)	1,757,075	958,442	2,715,516
GDP (\$1,000)	2,533,137	1,687,232	4,220,370

2. Picatinny Arsenal

Picatinny is designated as DOD's Joint Center of Excellence for Guns and Ammunition with products and services benefiting all branches of the military developed on the 6,500-acre installation. Notably, Picatinny personnel received 52 patents in FY13 and 23% of all Army patents since 2010.

Home to organizations from all branches of the Service and one of the largest employers in Morris County, Picatinny employs about 3,907 civilians, approximately 93 military personnel, and about

1,035 contractors. Picatinny supports more than 8,200 indirect jobs in surrounding communities and adds \$1.5 billion to New Jersey's economy annually. Due to its diverse portfolio specializing in advanced conventional weaponry and ammunition, approximately half of these employees are engineers and scientists.

Picatinny established a specialized technical education center called the Armament University (AU). AU is dedicated to advancing the United States Army Armament Research, Development and Engineering Center's knowledge base and pushing its workforce's skills and abilities to the limits through scholarship in science and technology. It seeks to effectively expand DOD's knowledge base in armament engineering and science through onsite education and both formal and informal training at reduced cost.

On June 30, 2014, the Task Force toured Picatinny. The Task Force was briefed on, among other things, the 120 partnerships between Picatinny and industry, academia, and other government agencies, which are known as Cooperative Research and Development Agreements (CRADA). The Task Force was briefed on Picatinny's successful Family, Morale, Welfare, and Recreation Organization, which opened the installation's recreational facilities to the surrounding communities. In 1996, the entities joined forces and Picatinny allowed Rockaway Township to use its recreational facilities in exchange for maintenance support of the fields. That initial partnership led to sharing of numerous additional recreational facilities.

Annual Economic Impact on NJ's Economy Picatinny Arsenal, All Activity, 2012			
	Indirect/Direct Effects	Induced Effects	Total
Output (\$1,000)	1,455,612.3	1,334,147.4	2,789,759.7
Employment	5,196	8,638	13,834
Earnings (\$1,000)	527,270.2	394,078.4	921,348.6
GDP (\$1,000)	913,627.2	796,840.9	1,708,408.1

3. United States Naval Weapons Station Earle

Prior to the tour of United States Naval Weapons Station Earle (NWS Earle) on July 10, 2014, the Lt. Governor, serving as Acting Governor, reaffirmed the collective support and appreciation all New Jerseyans share for the brave men and women in uniform by signing legislation designating May "Military Appreciation Month." The bill signing was held at VFW Post 2179 in Port Monmouth, Monmouth County.

Following the bill signing, the Task Force toured NWS Earle and was briefed on, among other things, the installation's history as an integral part of the Allied victory in Europe during WWII when it supplied the majority of ammunition used by the Allied Forces in the invasion of Normandy.

Located in two unique sections of Monmouth County, NWS Earle is home to a diverse tenant base. It handles, stores, transports, renovates, and issues a wide array of naval weapons and ammunition. The Main-side area is located largely in Colts Neck across more than 10,000 acres, which contain storage areas and the majority of NWS Earle's departments and facilities. An integrated workforce of military and civilian personnel operates the inland storage, renovation, transshipment, and demilitarization facilities. The Waterfront area is located on Sandy Hook Bay in Leonardo. The trident-

shaped pier complex extends 2.2 miles into Sandy Hook Bay and is capable of providing ammunition to nearly every class of ship operated by the Navy and Coast Guard.

NWS Earle is the only facility of its kind on the East Coast and is the only weapons facility with such a large capacity for bulk ordnance. It provides all ordnance for all Atlantic Fleet and Expeditionary Strike Groups. Additionally, NWS Earle is the only deep-water Navy ammunition pier on the East Coast, boasting the largest East Coast deep-water pier (three miles long, 35-foot draft, eight berths) and the shortest East Coast access to open water (no bridges or rivers to navigate).

Activity at NWS Earle adds \$32.5 million to New Jersey's economy annually. In doing so, it supports nearly 300 jobs that generate \$44.7 million in wealth.

Annual Economic Impact on NJ's Economy NWS Earle, All Activity, 2012			
	Indirect/Direct Effects	Induced Effects	Total
Output (\$1,000)	32,532.2	35,754.9	68,287.1
Employment	295	185	481
Earnings (\$1,000)	17,628.7	11,127.5	28,756.2
GDP (\$1,000)	25,092.7	19,624.5	44,717.2

4. Air National Guard 177th Fighter Wing

The Task Force visited the Air National Guard (ANG) 177th Fighter Wing, stationed at the Atlantic City International Airport, on August 19, 2014. Task Force members were briefed on, among other things, how the Wing supports the citizens of New Jersey by protecting life and property and preserving the peace, order, and public safety whenever called upon by the Governor. The ANG has 35 percent of the capabilities of the United States Air Force (USAF), but exists on only six percent of the USAF's budget. Likewise, ANG retirement costs are one-tenth that of the active duty USAF. For the cost of one active duty USAF wing (\$5 million), 89 separate ANG Wings could be established.

The 177th Fighter Wing employs more than 1,100 people and provides combat-ready citizen airmen and single-seat F-16C "Fighting Falcon" aircraft for worldwide deployment in support of USAF. The 177th Fighter Wing's strategic location makes it the only fighter wing on the East Coast that can reach and defend the airspace of Washington, D.C., New York City, and their critical infrastructures within existing time criteria. It also serves New Jersey with emergency relief during natural disasters, search and rescue, and public safety support. Since October 2001, the 177th was involved in Operations Noble Eagle, Southern Watch, Northern Watch, Iraqi Freedom, and Enduring Freedom.

In net, the 177th Fighter Wing adds \$109.6 million to the New Jersey's economy annually, supporting nearly 3,000 jobs that generate \$165.3 million in wealth.

In early 2015, U.S. Representative Frank A. LoBiondo (NJ-02), a senior member of the House Armed Services Committee, helped secure \$10.2 million for the 177th Fighter Wing for the construction of a new Fuel Cell & Corrosion Hangar in the "Fiscal Year 2016 Military Construction - Veterans Affairs Appropriations Act." The legislation was later approved by the full House of Representatives.

Annual Economic Impact on NJ's Economy ANG 177th Fighter Wing, Capital Spending, 2012			
	Indirect/Direct Effects	Induced Effects	Total
Output (\$1,000)	10,000.0	8,302.0	18,302.0
Employment	34	47	80
Earnings (\$1,000)	2,601.3	2,992.7	5,593.9
GDP (\$1,000)	3,977.8	5,211.7	9,189.4

5. United States Coast Guard Training Center Cape May

The Task Force toured the United States Coast Guard Training Center Cape May (TRACEN Cape May) and was briefed by military leaders on August 7, 2014. The briefing covered, among other things, several unique aspects of the installation ranging from recruit training to facilities engineering projects. TRACEN Cape May is the sole accession point for the Coast Guard's enlisted work force.

TRACEN Cape May is the fifth largest installation in the Coast Guard. TRACEN Cape May provides logistical support to tenant commands that perform a number of operational and support missions for the Coast Guard including Search and Rescue; Military Readiness; Port & Environmental Safety; Commercial Vessel Safety; Enforcement of Laws and Treaties; Marine Environmental Response; Recreational Boating Safety; and Waterways Management. TRACEN Cape May also houses the Company Commander School and Recruiter School and is the home port for cutters that support a variety of Coast Guard activities, including Homeland Security missions.

Notably, the United States Coast Guard operates within the Department of Homeland Security and so is not included in the BRAC process. However, given the intense pressure on the federal budget, the Coast Guard is feeling the effects of budget reductions and may be under increasing pressure to reduce its operating budget and personnel in the foreseeable future. And, like New Jersey's other installations, TRACEN Cape May has a significant impact on the state's economy and quality of life. Coast Guard activity in New Jersey amounted to about \$65.1 million in 2012. This supported 1,058 jobs that generated \$90.9 million in wealth for New Jerseyans.

Annual Economic Impact on NJ's Economy TRACEN Cape May, All Activity, 2012			
	Indirect & Direct Effects	Induced Effects	Total
Output (\$1,000)	65,058.6	62,421.4	127,480.0
Employment	728	330	1,058
Earnings (\$1,000)	51,480.1	20,017.0	71,497.1
GDP (\$1,000)	54,696.2	36,220.2	90,916.4

IV. Threats

In addition to the threat of a BRAC as discussed above, New Jersey's military installations face three additional threats: (1) policy shifts during the BRAC process, as occurred in 2005; (2) austere federal budgets and the possibility of future sequestrations; and (3) mission loss – aka "Stealth BRAC."

A. BRAC 2005 and New Jersey: Lessons Learned

From the BRAC 2005 Commission recommendations emerged a realignment and closure scheme quite different from that suggested by the Force-Structure Plan, selection criteria, and Secretary of Defense's five goals, all detailed above. But knowing DOD's recommendations often failed to align with BRAC's governing documents was little comfort to the service members and their families affected by Ft. Monmouth's closure. Six years after BRAC 2005, Ft. Monmouth officially closed its gates on September 15, 2011. For 94 years, Ft. Monmouth provided the development and operational services for world-wide communication, surveillance, and reconnaissance for the Armed Forces. BRAC 2005 realigned the technical functions of Ft. Monmouth to Aberdeen Proving Ground, Maryland. The implications of BRAC 2005 for future rounds only became clear in retrospect. First, cost was not a determining factor: the final cost represented a sixty-seven percent increase over the original estimate. Said plainly, the Commission will not be discouraged from closing or relocating an installation based on the cost to do so; if the Commission feels such action is in the best interest of effectiveness and efficiency, it will act.

Second, DOD went forward with the Ft. Monmouth closure despite the significant negative economic impact on the state. A 2004 Ft. Monmouth Impact report concluded that Ft. Monmouth directly and indirectly contributed 22,500 jobs statewide with a total economic impact of \$2.4 billion. BRAC 2005 resulted in the largest national transfer of any high technology mission with the largest workforce ever moved. The closure and realignment of Ft. Monmouth affected 4,400 federal government civilian positions and approximately 200 military positions. A third of the workforce consisted of scientists, engineers, and logistical specialists. Additionally, the Ft. Monmouth workforce was supplemented by nearly 1,600 embedded contractor employees and more than 1,000 contractors located off the installation. The majority of these employees elected not to move to Aberdeen Proving Ground and sought employment opportunities within New Jersey or elsewhere.

B. Recent Federal Development – Sequestration

Ft. Monmouth's closure inspired a sense of urgency in New Jersey's elected officials and citizens alike. Thus, this report highlights what may forecast the next BRAC round, namely Congressional appropriations or a lack thereof. After all, BRAC's stated goal is to redesign the infrastructure to more efficiently and effectively aid in the implementation of the American military's 21st century strategy. We only learned after BRAC 2005 that the realignment itself need not be cost effective. The realignment does, however, have to deploy deliberately inevitably shrinking resources to achieve the 21st century strategy.

Since the Budget Control Act (BCA) passed in 2011, the global threat environment and the United States military's involvement have become distinctly more complicated. Additionally, as the DOD rebalances the joint force after thirteen years of war, it confronts an uncertain fiscal environment in the absence of congressional action to reverse the BCA's sequestration. As part of the BCA, sequestration is the term used to refer to \$1.2 trillion in mandated cuts to federal agencies that includes \$500 million in

military spending cuts over the next ten years. Congress employed this budgetary device to encourage a compromise on deficit reduction by Dec. 23, 2011, lest the across-the-board spending cuts – sequester cuts – would automatically go into effect. When Congress did not come to an agreement, sequestration was triggered on March 1, 2012, and Congress and the Administration have battled ever since.

According to DOD, the geopolitical events of the past year only reinforce the need to resource DOD at the President's requested funding level as opposed to current law (BCA). As the budget makes clear, a return to sequester-level funding would be irresponsible and dangerous, resulting in a force too small and ill-equipped to respond to the full range of potential threats to the nation. In light of this incongruity, the Administration's FY 2016 defense budget request exceeded the cap imposed by the BCA by about \$36 billion. For the last two fiscal years, Congress and the Administration agreed to a number above the sequestration cap. So far, no such deal has been worked out for FY 2016, and it appears that the Administration is growing increasingly nervous about the DOD's ability to meet all of its obligations to the nation and its allies on a greatly diminished sequestration-level budget. This explains why the DOD and the Administration have requested a new round of BRAC for three years running.

This potential combination of increased need and decreased resources has the DOD rebalancing internally to prioritize spending on combat power. Key ongoing activities include reducing DOD's major headquarters' operating budgets by twenty percent and reducing intelligence analysis and production at Combatant Commands. The need to reduce unneeded facilities is so critical that, in the absence of authorization of a BRAC, the Administration will pursue alternative options to reduce wasteful spending. In such a case, it is entirely likely that the Administration will unilaterally change or diminish missions or contracting procedures at bases – a process referred to in this report as "Stealth BRAC."

C. "Stealth BRAC" (A.K.A. Mission Loss)

In addition to budgetary pressures, New Jersey must be aware of the possibility of military installations losing missions in the interim between official rounds of BRAC. "Stealth BRAC" is insidious because, as missions are taken away from a base, that base's standing before DOD and the Commission is considerably weakened. When the DOD and Secretary of Defense look for bases no longer serving multiple branches and functions, naturally those bleeding missions will be easy targets. It is in this light that changes abroad may have serious implications for New Jersey's military installations: the Joint Base is the only power projection platform in the heart of the most populated region of the United States.

Additionally, future federal budget cuts may impact the Joint Base's fleet of KC-10 refueling planes. KC-10s support aerial refueling and transporting cargo. Currently, the Air Force primarily maintains two types of refueling aircraft: the KC-135 and KC-10. There are only 59 KC-10s compared to more than 400 KC-135s. As a result, the idea of discontinuing the smaller KC-10 fleet has been floated. If that occurred, it is uncertain if the aircraft will be replaced and how severely this will diminish the standing of the Joint Base. On April 30, 2015, Congressmen Tom MacArthur and Donald Norcross announced that they had secured key language in the National Defense Authorization Act for Fiscal Year 2016 to protect the KC-10 refueling tanker from early retirement. While this is certainly welcome news, this and other potential mission loss due to Stealth BRAC must be at the forefront of New Jersey's continuous and ongoing effort to protect the State's military installations.

V. Recommendations

After the last year of tours and briefings, two truths stood out. First, presuming BRAC's potential imminence and the continuation of austere federal budgets, the state should take all reasonable steps to fortify and ensure the economic vitality of our military installations now. Second, New Jersey must posture itself in the best possible manner for BRAC – stealth or otherwise – because it remains a threat. With those two truths as our polestar, the Task Force presents the following recommendations.

A. Appoint a Military and Defense Economic Ombudsman

Economically fortifying New Jersey's military installations and improving the economic environment for New Jersey's defense industry requires a coordinated approach. Any effort to foster growth of the state's defense industries must account for, among other things, the complexities inherent in interactions with the DOD and federal government as a whole, coordination of myriad state agencies, and understanding county and municipal regulatory overlays – not to mention business acumen. To best manage those and other issues, the state should appoint a Military and Defense Economic Ombudsman (Ombudsman) to focus on coordinating and implementing such a strategy.

Housed in the Business Action Center, and reporting to the Lt. Governor, the Ombudsman would, among other things, including those more fully discussed below:

- Report on and recommend strategies and best practices for economically fortifying our military installations and improving New Jersey's defense industry;
- Support all efforts related to the creation of a defense industry cluster;
- Identify strengths, weaknesses, opportunities, and threats to our military installations from an economic perspective, and to New Jersey's defense industry;
- Provide recommendations on significant economic development projects that would support New Jersey's defense industry; and
- Work in coordination with any retained consultants devoted to advocating for New Jersey and its military installations.

In addition, the Ombudsman would be tasked with overseeing, implementing and/or coordinating the recommendations outlined in Section V.B "Establish a Coordinated Approach to Improve Military and Defense Industry Economic Development".

Given the complexities and nuances of the task, the Ombudsman should, preferably, be an individual with military and business knowledge, who is well-versed in government affairs.

B. Establish a Coordinated Approach to Improve Military and Defense Industry Economic Development

The Ombudsman should oversee a variety of efforts geared to improving economic outcomes for New Jersey's military installations and defense industry.

1. Attract Private Capital to and Around Our Military Installations

A critical element of strengthening our bases is to ensure that private sector businesses choose to partner with New Jersey installations – not those installations in other states. Therefore, efforts should be made to attract private capital to our military installations.

a) Develop Targeted State Incentive Programs for Businesses Working with Military Installations

Creating an environment that facilitates innovation supports our bases and leads to symbiotic relationships between the installations and the industry that surrounds them. For example, New Jersey ranks sixth in the nation for space and defense manufacturing. The state offers various incentives and programs to facilitate innovation, including the technology business tax certificate transfer program and the angel investor tax credit program.

Incentives exist to foster innovation. For example, the technology business tax certificate transfer program enables approved technology and biotechnology businesses with net operating losses (NOL) to sell their unused NOL carryover and unused R&D tax credits to a corporate taxpayer in New Jersey. Another example is the angel investor tax credit program that provides credits against New Jersey corporation business or gross income tax for ten percent of a qualified investment in an emerging technology business.

Despite those and other tools, the state must better encourage innovation related to the significant research and development functions of our state's military installations. As an initial matter, the state must better educate entrepreneurs, innovators, and potential military contractors about the numerous tools available to them to encourage innovation related to the missions of our military installations.

In addition, the state should explore the possibility of further incentivizing innovation related to the missions and operations of our state's military installations. By facilitating investment in innovation around our military installations, the state can help attract investment in critical areas such science, technology, engineering, math, and research and development. This can be accomplished by providing additional jobs-based incentives as well as the consideration of the location of a company near a military installation in the determination of the interest rate for loan programs. The jobs-based incentives would be in the form of a bonus available in the Grow New Jersey program, administered by the New Jersey Economic Development Authority (EDA), and would allow for a \$500 per employee bonus for new or at risk employees of a company located within 5 miles of a military installation and working cooperatively with that installation. For projects seeking loan assistance through EDA loan programs, a company could be eligible for a rate reduction of up to twenty-five basis points if they are located within five miles of a military installation.

b) Cut Red Tape for Military Installations and the Defense Industry

P.L. 2011, c.34 (N.J.S.A. 52:14B-26, et seq.) requires the Secretary of State to designate a responsible contact person for "any large, complex project having a significant potential employment or investment impact" to assist that business and all appropriate government entities throughout the permit and approval application process. The contact person shall, among other things: (1) develop a checklist of permits to which the applicable agencies agree; (2) establish a detailed course of action and

milestones for the permitting or approval process agreeable to the applicable agencies; (3) report any impediments to the Secretary of State; and (4) coordinate, as needed, with the EDA.

This customer-service approach to business development has proven successful and, while some projects impacting our military installations will undoubtedly be “large, complex project[s] having a significant potential employment or investment impact,” others may not. To ensure that smaller – though still important and valuable – projects related to and supporting our state’s military installations receive similar treatment, the Ombudsman should serve as the Business Action Center advocate devoted to providing similar treatment to any project related to or designed to support our state’s military installations. The Ombudsman should directly report to the Lt. Governor and the Red Tape Commission. By centralizing this function, the Ombudsman can develop greater expertise and relationships with issues that may arise due to the project’s relationship to the military as well as develop deeper relationships with our military installations.

To further streamline the Ombudsman’s efforts to cut red tape related to our military installations and defense industry, each Cabinet-level department and agency should designate a single point-of-contact responsible for interfacing with the Ombudsman, as well as interfacing with any businesses on whose behalf the Ombudsman advocates.

c) Targeted Marketing Campaign by Choose New Jersey

Since its creation, Choose New Jersey has been effectively marketing the countless positives of doing business in New Jersey to the rest of the nation and the rest of the world. Be it the state’s prime location, its highly educated workforce, its unparalleled quality of life, or myriad other positives, Choose New Jersey has spread the message that New Jersey is an ideal location to do business.

To help further combat any misconceptions about New Jersey’s business environment, Choose New Jersey – in coordination with the Ombudsman – should undertake a targeted marketing campaign focused on the sectors primed for growth in New Jersey’s defense industries including, but not limited to, aerospace, information technology, cybersecurity, biotechnology and bioscience, and engineering.

d) Establish and Deploy a Military Mobile Cabinet

A “Military Mobile Cabinet” of high-level agency officials should be deployed to each military installation at least once a year. In addition to the Ombudsman, the Military Mobile Cabinet should include representatives from the Departments of Banking and Insurance, Children and Families, Community Affairs, Education, Environmental Protection, Health, Human Services, Labor and Workforce Development (LWD), Transportation, Treasury, and, of course, Military and Veterans Affairs.

This Military Mobile Cabinet will improve the interactions of the military installations with state departments and agencies. Be it addressing environmental issues related to development, wastewater treatment, and sewer service; utility issues concerning access to the power grid, establishment of resilient energy sources, and sufficient broadband capabilities; or a host of other matters, the military installations themselves can cut through red tape they may encounter. The Military Mobile Cabinet would also be available to the service members, employees on the installations, and their families, to address any issues they may be confronting with state government.

e) Develop Asset Management Databases of New Jersey Resources

One hurdle often faced by innovative start-up businesses, including those supporting DOD and the military, is identifying resources such as equipment and laboratory space at a university or research projects and professor specialties. Most universities house data regarding research and development as well as faculty specialties and equipment in private databases. The Task Force recommends – through the Office of the Secretary of Higher Education (OSHE) and the Council on Innovation – creating a combined, public higher education asset management database. This database would be a centralized web space able to inventory our higher education institutions' assets to further strengthen the existing connections between higher education and the state's economic ecosystem in a tangible, meaningful way.

This publically shared database will allow all resources of higher education to be leveraged by innovative startups – including those cutting edge companies seeking to do business with our state's military installations. This information should include, among other things:

- Faculty contact information and research areas;
- Patented technologies;
- Research centers, facilities, and equipment;
- Published academic articles; and
- Information about university-based incubators and accelerators.

This database will fill an information void and facilitate collaboration, thereby allowing the exploitation of synergies between institutions of higher education among themselves and with New Jersey's defense industry.

2. Improve Relationships Among Federal Contractors

A critical component of economic development related to our installations and defense industries is to ensure that the participants have access to information and relationships. Accordingly, the Ombudsman should undertake efforts designed to improve access to information and relationships among stakeholders.

a) Establish New Jersey Procurement Partnership Program

Because federal contracts are an economic driver for New Jersey business, another method for maximizing revenue streams to New Jersey businesses and leveraging current resources within the state is to foster relationships among large, medium, and small New Jersey-based companies who market their products and services to the federal government, specifically the DOD. Thus, in an effort to increase federal procurement dollars directed towards New Jersey, the Ombudsman should establish the New Jersey Procurement Partnership Program. This program should:

- Establish a Mentorship Program – A mentorship program serves numerous symbiotic goals. Smaller companies who may not be as sophisticated as larger companies with respect to federal procurement can gain valuable insight into the federal procurement process and best practices, while simultaneously developing relationships with larger companies, who may be general contractors that will require the services of smaller entities. Larger companies will

develop relationships that encourage the hiring of in-state subcontractors, thereby increasing overall federal procurement expenditures in New Jersey.

- Host Procurement Seminars – Again, smaller businesses or those new to federal procurement can benefit greatly from guidance on the federal procurement process. Such seminars – taught by larger and/or more seasoned federal contractors – would prove invaluable.
- Identify Federal Procurement Resources and Develop a Plan to Make Them More Accessible – The Ombudsman should endeavor to disseminate information relating to federal procurement opportunities, provide best practices and guidance for navigating the federal procurement process, and monitor trends related to federal procurement.
One such example of a procurement information repository is Choose New Jersey's Request For Proposal Watch (RFP Watch) (www.rfpwatch.choosenj.com), a service that puts public and private contract opportunities at businesses' fingertips. RFP Watch tracks bids from 30,000 data sources to connect businesses to contracts issued not only by the federal government, but also by state government, cities, municipalities, counties, and special district agencies across the New Jersey, New York, Pennsylvania, Delaware, and Maryland region. Industry categories run the gamut, and more than 535 General Services Administration (GSA) categories can be searched by keyword, GSA category, sector and status, with an average of 7,000 contract leads posted per month and \$2 billion in contracts awarded weekly.
- Engage with NJ MarketShift – The New Jersey Innovation Institute received a \$5.67 million grant from the DOD to create NJMarketShift, a model for creating regional industry clusters strengthening economic development in New Jersey. NJMarketShift is focused on a statewide strategy to support New Jersey's aerospace and defense industry to diversity markets, foster product innovation, and strengthen companies and supply chains integral to defense needs and the state's economy. The Ombudsman should actively engage with NJMarketShift and help connect companies with this effort.

*b) Organize Regular Military "Resources for Growth" Events in
Coordination with Military Installations*

In an effort to ease access to incentives and programs for the business community, over the last five years, the Business Action Center has hosted more than a dozen "Resources for Growth" events throughout the state. These events – occasionally geared towards an industry or specific geographic locale – are designed to welcome business to meet with federal, state, and county representatives and community partners to learn more about the myriad resources available to New Jersey's businesses. Well-received by the business community, these events provide fertile ground for developing relationships and making businesses – particularly small businesses – aware of various programs and government offerings.

The Ombudsman should replicate this model and convene a Resources for Growth event related to each of the state's five military installations, targeting the geographic areas and industries most impacted by each of the military installations. By incorporating military leaders from the installations – as well as other relevant federal officials – such "Military Installation Resources for Growth" events will provide impacted businesses with a unique opportunity to network and be informed of various opportunities, while creating and continuing dialogues between businesses and governments of all levels.

C. Align New Jersey's Workforce with the Military and Defense-Industry Current and Future Needs

To ensure that New Jersey's military installations – and the businesses and industries that support them – are well situated for the 21st Century's economic and military needs, the state, industry, and educators must work together to provide New Jersey's workforce with the necessary skills and abilities. Despite a highly educated workforce and celebrated school system, we must avoid and mitigate any potential shortcomings.

1. Understand and Respond to the Needs of Our Military Installations and the Industries that Support Them

In December 2014, the Lt. Governor, OSHE, LWD, State Employment and Training Commission (SETC), and the Department of Education (DOE) convened a Manufacturing Skills Council of chief executives and key industry leaders to help guide New Jersey's workforce and education investments, thereby addressing any potential skills gap. The first meeting of the Manufacturing Skills Council began the dialogue about potential solutions and helped set priorities to maximize the impact of state investment dollars to fill critical job openings in the short-, mid-, and long-terms. These solutions may include expanded career awareness efforts to promote such opportunities, expanded training programs to prepare unemployed workers for job openings, development of new curricula for high school and post-secondary education, and expansion of work-based learning opportunities, including internships.

a) Convene a Military Skills Council

Building on the above model, those same state entities should work with New Jersey's military installation leadership and the defense industry to establish a Military Skills Council to look at the workforce alignment issue through the spectrum of DOD needs, as well as the needs of those supporting industries.

Among other things, the Military Skills Council should:

- Develop a comprehensive needs analysis for our military installations and key industries;
- Explore barriers impeding workforce alignment with the federal government, be it geographical, economic, educational, etc., and offer solutions to overcome those barriers;
- Identify skills gaps by surveying contractors to identify opportunities for growth and deficiencies in the current skill sets of the workforce;
- Examine methods to develop and align curriculum, specifically science, technology, engineering, and math (STEM), at all levels of education in preparation for jobs with our military and supporting industries, as well as methods for increasing the enrollment of students of all ages in STEM programs;
- Develop methods to improve understanding of the resources, benefits, and improved outcomes for service members resulting from Post-9/11 Bill education;
- Prepare workforce development strategies for the jobs of today and the future, by expanding academic/training opportunities to support workforce needs and exploring public-private partnerships to support workforce development; and
- Engage with educators, the military, and industry to ensure that workforce alignment initiatives address military, public, and private sector needs.

b) Target Workforce Training Dollars Towards Supportive Grantees

LWD has a robust workforce training program that allows employers to train current and new employees with the skills necessary to keep their businesses up-to-date with the most recent techniques and technologies used by industry. At bottom, this program is designed to ensure that New Jersey's workforce has the skills needed by New Jersey's business.

In administering this workforce training program going forward, LWD should consider finding opportunities to target workforce training dollars and grants to those industries connected to our military installations and supportive of them due to their industry or procurement contracts. Doing so will help ensure that our defense related industries have the employees they need to continue supporting our state's installations and, thus, provide jobs to New Jersey residents and veterans.

2. Improve New Jersey's Pipeline of STEM-Educated Employees Who Can Fill the Needs of Our Future Military and Defense Jobs

While many of the recommendations contained in this report relate to near-term deliverables that will immediately benefit the state's military installations and defense industry, we also must be cognizant of the long-term health and viability of our installations and related industries. As such, we must actively ensure that New Jersey has a robust, long-term pipeline of employees for the future needs of our military installations and the defense industry. One area where we must take action is STEM education, as STEM careers will only increase in the future, especially for our military installations and the vendors and contractors on which they rely.

a) Include Military and Defense-Industry Membership on the STEM Pathways Network

Recognizing the increasing need to proactively educate our children and our workforce to ensure that New Jersey's best and brightest are ready to fill the STEM jobs of the future, the OSHE established the STEM Pathways Network which brings together three dozen of the state's leaders in academia, industry, and philanthropy to enhance collaboration among agencies, foundations, higher education, and businesses. The impetus for the STEM Pathways Network was the realization that despite the existence of more than 200 discrete STEM initiatives in New Jersey, there was limited awareness and interaction between those initiatives.

Because STEM-education will be critical to filling the military and defense industry jobs of the future, we should ensure that New Jersey's military installations and defense industry have a voice in this on-going dialogue. Accordingly, the STEM Pathways Network should ensure inclusion of the military and defense industry in the STEM Pathways Network going forward.

b) Collaborate with Military Installations on Increasing STEM Education

To ensure the availability of STEM-educated professionals for the future needs of our military installations and defense industry, the DOE, OSHE, and local boards of education near our military installations should further collaborate to raise awareness of STEM education and the positive employment outcomes and exciting career potential.

In addition to raising awareness of the career opportunities a STEM education can lead to in the military and defense industries, these collaborations must also implement proactive steps to increase involvement in STEM education. DOE and OSHE should provide assistance to schools and institutions of higher education that seek to better incorporate STEM principles into their curriculum, be it in the form of best practices or assisting with STEM grant application, management, and implementation. Moreover, those state agencies should collaborate with our military installations and local boards of education, as appropriate, to identify partnerships and/or pilot programs that will highlight, in a tangible way, the connection between a STEM education and future jobs in the military and defense industries.

In addition, all stakeholders should look for opportunities to strengthen professional development for teachers in STEM fields. Without qualified and engaging STEM teachers, students will not flourish nor remain engaged in this exciting field.

3. Continue Expanding Prior Learning Assessments for Veterans

While the foregoing STEM recommendations address long-term needs, we must also look at short-term STEM needs. In this regard, veterans who developed expertise and skills in STEM fields while serving their country should not be slowed in their transition to civilian employment where unnecessary.

In July 2014, Lt. Governor Guadagno, along with Secretary of Higher Education Rochelle Hendricks, announced the launch of the New Jersey Prior Learning Assessment Network (NJ PLAN) pilot program, an initiative whereby Thomas Edison State College, Essex County College, New Jersey City University, the New Jersey Institute of Technology, and Rowan University established a consortium where students earn college credits when their previously obtained skills are demonstrated through examinations or by preparing portfolios of prior work. Such a program could be particularly beneficial for veterans whose learned skills will address the needs of a highly competitive 21st century economy.

The OSHE and the state's higher education institutions should continue to implement prior learning assessments and consider expanding the NJ PLAN pilot to account for both the unique skill sets of veterans and the emerging needs of the military and defense industry.

D. Develop Synergistic Opportunities Enabling Greater Cooperation Between Military Installations and Local Communities

It goes without saying that government budgets at all levels – federal, state, and local – are under pressure. That fiscal pressure requires fiscal responsibility and requires all government officials to examine creative ways to efficiently maximize their limited public funds, without undermining the delivery of essential public services.

1. Facilitate Shared Services Between Installations and Neighboring Governments

One area ripe for cost-savings is shared services among New Jersey's military installations and their adjacent governments. In 2013, a federal statute was enacted that empowers military installations to enter into intergovernmental support agreements with state or local governments to provide, receive, or share installation-support services where such agreements enhance mission effectiveness or create efficiencies or economies of scale, including cost reduction. See 10 U.S.C. 2336. Examples of military installations and municipalities sharing services around the country include:

- Shared maintenance of the installation's streets, sewers, storm drains, and fence systems;
- Allowing installation personnel to utilize the civilian 9-1-1 service;
- Shared vehicle, grounds, and road maintenance;
- Refuse and snow removal;
- Shared utility infrastructure and maintenance including sewer, water, and electric; and
- Consolidated police and fire units to maximize effective coverage area.

As noted earlier, Rockaway Township and Picatinny have a long-standing relationship that, among other things, includes mutual aid agreements related to police and fire protection as well as sharing of recreation facilities, specifically the partnership between Picatinny Arsenal Family Morale Welfare and Recreation and the Township's Parks and Recreation Department. New Jersey towns and military installations are encouraged to follow suit and engage with their installation neighbors to learn what assistance they can provide. The state should assist and facilitate this sharing of services to the greatest extent possible.

2. Minimize Encroachment Through Strategic Land Use Planning

The coexistence of adjacent municipalities and military installations is an important issue in New Jersey. Development and redevelopment, brownfield remediation, security buffers, open space, resource capacity, and infrastructure expansion and maintenance call for a cohesive, inclusive system to protect all parties' interests. Achieving this requires long-term, strategic planning and open communication between all parties. Where possible, land use initiatives should account for the needs of all stakeholders because the effects of those policies often transcend borders to impact regions.

a) Coordinate to Establish a Plan for Symbiotic Land Use

When military installations are first established, they are often built in remote regions. Over time, these military installations become hubs for the development of communities, requiring housing and local businesses to support the installation and its population. In 1985, the DOD recognized that as communities developed near military installations, both civilian and military activities were negatively impacted. That realization led to the DOD's Joint Land Use Study (JLUS), which encourages community and installation decision-makers to study issues of compatibility in an open forum, balancing military and civilian interests, and empowering local communities to work with their neighboring installations to guide the implementation of appropriate land use controls.

In 2009, authorities from the Joint Base and its surrounding communities worked together on a JLUS. Other governments surrounding the state's other military installations should act accordingly and either conduct a JLUS or, at the least, implement its principles, and such documents should be regularly re-visited.

Beyond the JLUS process, local and municipal governments should work cooperatively with their military installations to prevent unnecessary encroachment and encourage compatible uses. To facilitate this dialogue, local and municipal government should schedule regular meetings with the complete spectrum of interested parties, including utilities and local water, wastewater, and power authorities, to discuss the collaborative planning process.

Counties and municipalities should share proposed master plan updates and zoning changes with the nearby military installations before adoption. Counties and municipalities should consider sharing planning proposals with the State's Office for Planning Advocacy before adoption for input on such proposals. To aid this process, the Office for Planning Advocacy should develop a closer relationship with DOD's Office of Economic Adjustment, which runs the JLUS program.

b) Preserve Open Space Near Military Installations

Because military installations are such a crucial part of the economies of the state, counties, and municipalities, these government entities should be mindful of undue encroachment on our military installations. Potential hazards in this regard include, among others:

- Erecting unnecessarily tall buildings around installations that limit the flight paths or sight lines of aircraft;
- Building residential areas too close to installations thereby exposing residents to noise from planes, helicopters, and firing ranges; and
- Limiting potential for future expansion on the installation by reducing open or undeveloped surrounding property.

While these may seem to be mere nuisances, installations should aim to avoid any negative interactions with surrounding residents through perceived noise pollution and should also be mindful of maintaining excess capacity to accommodate potential mission expansion. One method of limiting such encroachment is maintaining open space near our military installations – a method all levels of government should utilize.

3. Improve Energy Resiliency

In recent years and especially in the wake of Superstorm Sandy, there has been a significant effort to increase the resiliency of New Jersey's power grid, allowing it to better respond during and in the aftermath of natural and other disasters. Be it hardened infrastructure, the creation of micro-grids, the "islanding" of essential facilities, or the installation of on-site generation, such strategies have become critically important. Moreover, these efforts to improve our power grid's overall resiliency, can often be combined with other policy priorities, such as reducing the cost of electricity and increasing the use of renewable energy sources. Thus, win-wins.

Military installations are prime examples of facilities that would benefit from implementing cost-saving resilient energy strategies to not only ensure that constant flow of energy to their essential functions, but also to reduce costs and reduce reliance on third-parties and utilities in the event of disaster. Accordingly, the state should take all reasonable efforts to assist our military installations in the development of resilient energy projects. Such projects will allow our installations to be energy independent, reduce costs due to predictable production, and increase reliability and resiliency when large-scale emergencies affect the power grid. Additionally, the surrounding communities will benefit from this initiative's efficient and reliable energy production, taking pressures off the remainder of the grid, and ensuring that the installations will be able to operate in the face of a disaster to help assist with the provision of emergency services. Moreover, by improving a military installations' energy infrastructure and reducing costs, such resiliency projects may assist in the attraction of additional missions to New Jersey's installations, but at the very least will offer cost-savings, thus making New Jersey's military installations less attractive targets for mission loss or a realignment or closure.

4. Increase Supportive Coalitions to Forge and Strengthen Local Relationships

Throughout the Task Force's efforts, the Defense Enhancement Coalition (DEC) and the Picatinny Enhancement Coalition (PEC), which respectively support the Joint Base and Picatinny Arsenal, were consistently and actively engaged. Both are well-organized, highly motivated, and supportive of their installations – qualities that significantly strengthened installation-community ties.

Simply put, the Task Force encourages DEC and PEC to continue their efforts in hopes that other communities replicate the model. Such organized groups raise community awareness of the positive impacts of military installations, develop synergies between the installations and area businesses and, at bottom, further demonstrate that New Jersey is military friendly. Thus, the Task Force should keep DEC and PEC apprised of statewide developments and continue to solicit their invaluable feedback and input.

5. Improve Roadway Signage for Joint Base

Despite the merger of the United States Air Force's McGuire Air Force Base, the United States Army's Fort Dix, and the United States Navy's Naval Air Engineering Station Lakehurst, on October 1, 2009, the roadway signage directing visitors to the Joint Base was not timely updated. Fortunately, due to the efforts of the Task Force and collaboration with the Department of Transportation, as well as local and county officials, these outdated signs are being replaced to better reflect the identity of Joint Base and to reduce any confusion among motorists. However, signs remain to be updated, and the DOT should continue its efforts with local and county governments, to replace outdated signs.

E. Strengthen Relationships with Federal Partners to Improve Advocacy Outcomes

To best advocate for itself, New Jersey's voice must be loud, consistent, and unified in Washington, D.C. By actively engaging with members of Congress, congressional staffers, and DOD military leaders, New Jersey's voice will be heard.

Additionally, it is important that New Jersey's congressional delegation be strong advocates for the state's military installations. Since its organization, the Task Force interacted with the state's Congressional delegation and their staffs. These fruitful conversations must continue so that all parties remain well-informed of military-related developments in real time.

1. Annual Congressional Delegation Tour of Installations

In February 2015, the Lt. Governor joined members of the New Jersey Congressional delegation to tour New Jersey's military installations and be briefed by the commanding officers. This cooperative and collegial tour allowed the Congressional delegation and Lt. Governor to become better informed on issues relating to the installations and further unified the bipartisan effort to enhance and protect New Jersey's military installations. The Lt. Governor, Task Force, Ombudsman, and Congressional Delegation should make this an annual event.

2. Provide Advocacy Information to Federal Partners

Across the nation, misperceptions about New Jersey are pervasive. In relation to BRAC, such misperceptions could mean the undoing of years of carefully organized advocacy and hard work if the decision makers wrongly believe New Jersey is unfit for major military installations or missions. The state's organized advocacy would be bolstered by materials available for federal legislators focused on these subjects recognized as important throughout the defense community. These materials should include, among others:

a) Air Space

Given New Jersey's dense population and proximity to numerous commercial airports, there is a lingering misperception that the air space around the Joint Base and the 177th Fighter Wing is overly congested. That misperception ignores that these pilots train on ranges that extend out over the Atlantic Ocean and that anti-encroachment measures greatly reduce congestion. Moreover, that misperception unduly discounts the value of teaching pilots how to navigate diverse air space. Nevertheless, New Jersey should provide federal partners with advocacy materials on our air space from independent, recognized experts to help counter that harmful misperception.

b) Encroachment

Another persistent misconception is that New Jersey's military installations are urbanized and physically encroached by development. Highlighting the significant open space around our military installations would effectively rebut that misconception. Furthermore, this analysis would publicize the proactive steps taken by county and municipal governments to control encroachment at the Joint Base, including the April 2009 JLUS.

c) Installation Infrastructure

High-quality military installation infrastructure aids the operations at the military installations and helps limit future costs related to maintenance, repair, and upkeep. Data demonstrating the quality and modern condition of our military installations' infrastructure will demonstrate that our installations offer an attractive and cost-effective venue for current and additional missions.

3. Establish and Convene Regular "Commanders Council" Meetings

A key component of the Ombudsman's charge will be to remain abreast of developments on the state's military installations with respect to both current issues and concerns, as well as future and prospective needs. Accordingly, the Ombudsman should regularly meet with the state's military installations' commanding officers and other high-ranking officials. Individual meetings will allow for sharing of information, deepening of relationships, and problem-solving with respect to installation-specific issues.

But, some issues may require a more holistic approach where the expertise and input of other of the state's military installations is valuable. Therefore, the Ombudsman should, as necessary, convene regular "Commanders Council" meetings that can address issues of statewide importance or issues where the military installations can support each other or benefit from a unified response.

4. Extend the Task Force

Extending the Task Force would communicate a sense of long-term, systematic dedication to the state's military installations. An extended Task Force could more effectively and efficiently wield the collective influence of New Jersey's federal, state, county, and municipal elected officials in an uninterrupted and non-partisan fashion. An extended Task Force could also gather a wealth of institutional knowledge that, combined with energetic, coordinated, consistent, and unified advocacy, would be a formidable advantage when confronting a BRAC or the threat of mission loss.

5. Annual Appropriation For Military Installation Fortification Efforts

The Fiscal Year 2015 Appropriations Act and the Fiscal Year 2016 Appropriations Act – both passed by the Legislature and signed by Governor Christie – included a \$200,000 appropriation to DMAVA to inoculate New Jersey's military installations from BRAC. As noted earlier, the appropriation was used by DMAVA for the retention of a consultant to advocate for New Jersey and our military installations.

This appropriation should be continued as an annual appropriation in the budget going forward. Although cognizant of the state's budgetary outlook and competing concerns, New Jersey's efforts towards economically fortifying our military installations and fending off any BRAC and mission loss must be viewed as a marathon, not a sprint. Continued, steady funding for an experienced consultant to advocate for New Jersey's interests in Washington, D.C. is important. As stated above, the key to success is steady, uninterrupted, and unified advocacy.

VI. Conclusion

The foregoing demonstrates that in order for the State to best fortify its military installations from any future BRAC or the looming threat of mission loss, concrete steps must be taken – and be taken in earnest. In so doing, New Jersey must demonstrate in a unified voice that it is military friendly and that the retention and gain of missions in New Jersey not only makes strategic sense, but also makes economic sense.

Due to the efforts this year of the Task Force and governmental actors at all levels, significant momentum was created in New Jersey's efforts to fortify our military installations and protect them from BRAC and mission loss. We must not lose that momentum, but rather capitalize on it. The Task Force is committed to this effort and will continue to work with elected officials at all levels, the military installations themselves, and the industries that rely on those installations to best strengthen our installations, with all efforts doggedly geared towards protecting our military installations both today and in the future.